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SUBJECT: The Cyprus Dispute: What if UN Negotiations Fail?

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Central Intelligence Agency



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The Cyprus Dispute: What if UN Negotiations Fail?Summary

The UN effort to bring about a negotiated settlement on Cyprus through the good offices of UN Secretary General Perez de Cuellar appears to be at an impasse. The Greek Cypriot refusal on June 10 to accept his painfully constructed third draft "framework" agreement as a basis for negotiations, and the subsequent Turkish Cypriot refusal to consider any modifications in that document, bode ill for the UN effort. There is broad international support for keeping the UN effort alive, however, and Perez de Cuellar may still devise a formula for resurrecting his initiative or an alternative approach. [redacted]

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If the path toward a negotiated settlement remains blocked, a number of unsettling developments appear probable. These include:

- An intensified effort by the Turks and Turkish Cypriots to consolidate the independent status of northern Cyprus and win recognition from third countries.
- A flurry of diplomatic activity by the Greeks and Greek Cypriots aimed at heightening international attention to the Cyprus dispute, blocking Turkish Cypriot state-building efforts, and undermining Turkey's improved image in Western Europe.
- Increased opportunities for Soviet involvement in the region.

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- Pressure from the Greeks and Greek Cypriots for more direct US support and countervailing pressure from Ankara.

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Any of these courses of action could dangerously increase tensions in a region of major strategic importance to the US.

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Background

The current UN effort to achieve a comprehensive Cyprus settlement began in August 1984. Since then the UN has been trying to create an acceptable "framework" for negotiations between the Greek and Turkish Cypriots. In January 1985, the UN sponsored a summit meeting which broke down when the Greek Cypriot side maintained it had come only to discuss the UN's initial draft agreement, while the Turkish Cypriots insisted on its formal acceptance. In April 1985, the UN came up with a revised version that the Greek Cypriots accepted and the Turkish Cypriots rejected. Following protracted discussions with both sides, the UN Secretary General produced yet another agreement this March. The Turkish Cypriots have accepted this document, but the Greek Cypriots for all practical purposes have rejected it.

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Possible Turkish Cypriot Moves:

We believe the prolongation of the current impasse--and the widespread perception that Greek Cypriot obstinacy is responsible for it--will encourage the Turkish Cypriots to take steps to legitimize their claim on the 37 percent of the island they control-- the so-called "Turkish Republic of Northern Cyprus." There is precedent for such action. After gaining the diplomatic high ground at the January 1985 summit meeting, Turkish Cypriot leader Denktash used the favorable international climate to strengthen his "state" by promulgating a new constitution and calling presidential and parliamentary elections.

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Denktash could well be tempted to use Greek Cypriot rejection of the third UN draft agreement to justify further state-building efforts. He has already indirectly challenged the status of UN forces on Cyprus. When he closed the border with southern Cyprus for a week in early July, he presented it not as retaliation for a similar Greek Cypriot action in protest of Turkish Prime Minister Ozal's visit to northern Cyprus, but as a demonstration of Turkish Cypriot sovereignty over the north. The Turkish Cypriot Council of Ministers reiterated this point when it reopened the border, alleging that Turkish Cypriot "sovereignty" had been demonstrated to the world.

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[redacted]

The border closing, moreover, succeeded in extracting tacit UN acknowledgment of the Denktash regime's authority over the north. Only after prolonged negotiations was the UN able to persuade Denktash to give up his demands for visas from all travelers from the south and for formal talks with the UN on an agreement fixing the conditions for the future movement of UNFICYP forces in the Turkish zone. Based on Denktash's past practices, it would be typical for him to use these negotiations as confirmation of the TRNC'S "sovereignty" and to push the process further with other restrictions on UN troop movements.*

[redacted]

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There also is evidence that the Turkish Cypriots may be considering more direct steps to consolidate their "state." Over the past year Denktash has periodically dropped hints about issuing a Turkish currency, opening air links, or establishing commercial and cultural ties with third countries as a step toward attaining full diplomatic recognition. In addition to these moves, we believe he might be seriously considering resettling the deserted city of Varosha. He has been quoted in the Turkish press as saying that no one should be surprised if Varosha were to be resettled. US Embassy reporting indicates that British citizens with property in Varosha have been told to register their interests with the Turkish Cypriot authorities or risk forfeiting their claims.**

[redacted]

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View from Ankara

Ankara has traditionally exercised some restraint on Denktash's state-building efforts. There are indications, for example, that Denktash's past willingness to cooperate with UN peace efforts were, at least in part, due to pressure from Ankara. Ankara's role could change, however, if Turkish officials perceive that the negotiations are failing.

[redacted]

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*UNFICYP was founded in 1964 for a three-month period--later extended by successive resolutions in the Security Council--to keep the peace between the Greek and Turkish Cypriot communities pending resolution of the outstanding issues between them. It is composed of some 2,000 men from seven countries--Austria, Canada, Denmark, Finland, Iceland, Sweden, and the UK.

[redacted]

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**Varosha has long been a focal point in the inter-communal talks. Until the 1974 Turkish intervention, it was a prosperous resort town largely populated by Greek Cypriots. It is currently unoccupied and under UNFICYP'S jurisdiction.

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In fact, Turkish actions and public statements suggest that Ankara already is edging toward a tougher policy--despite Turkish assurances to the contrary to the US. During Prime Minister Ozal's visit to northern Cyprus, for example, he made a number of statements supporting Turkish Cypriot "equality" with the Greek Cypriots and endorsing Denktash's state-building efforts. [redacted]

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[redacted]

[redacted] Press reports indicate that the Turks have recently been sounding out various Islamic countries regarding the establishment of cultural, educational, athletic, and trade relations for the purpose of gradually upgrading the TRNC'S international status.

[redacted]

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Whether Ankara decides to support new Turkish Cypriot moves depends on a variety of factors. One clearly is the status of the UN peace effort. If it withers--and the responsibility can be convincingly attributed to Greek Cypriot obstinacy--Ankara would have a plausible justification for giving Denktash the go-ahead. On the other hand, the Turks have more to consider than just the interests of Turkish Cypriots--they have to factor in the effect Turkish Cypriot actions will have on military aid deliberations in Washington and on the outcome of the EC meeting on 16 September on renewing Turkey's association agreement and eventually releasing almost \$500 million in aid funds. These considerations suggest that if the Turks decide to give Denktash the green light on Cyprus, they will wait until late fall when the prospects for the UN peace effort also will be clearer. [redacted]

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Greek and Greek Cypriot Reactions

Unlike the Turks, the Greek Cypriots lack the ability to revise the status quo unilaterally in their favor. Their only possibility of altering the situation remains a negotiated settlement, and at present they appear to hope that their roadblock to the Secretary General's peace effort will force the UN to come up with a new approach that will be more in their favor. If Perez de Cuellar fails and no acceptable alternative develops, both Athens and Nicosia are likely to react by launching a major diplomatic offensive aimed at rallying international sentiment in their favor and against Turkish Cypriot state-building efforts. Nicosia is already stepping up pressure on the US, UN, and EC by warning in the press and UN forums that Denktash may be preparing to challenge the status quo. In addition, Nicosia has sent special emissaries and letters explaining why the latest UN proposal is "unworkable" and encouraging other countries not to deal with the Turkish Cypriots. The Greeks have also tried to use the recent border closing incident as ammunition against Turkey in the EC. []

If the Turkish Cypriots were to alter seriously alter the status quo--for example, by resettling Varosha--the Greek Cypriots would undoubtedly go to the UN. Athens for its part would almost certainly try to muster support for political and economic sanctions against Turkey in the EC and NATO. Both Nicosia and Athens would press the US to become more directly involved. The US would then have to choose between supporting one NATO ally and outraging the other or staying neutral and irritating both. []

In response to Turkish Cypriot initiatives the Greek side might resort to unilateral actions constituting a more serious threat to peace. The possibilities include building up the Greek Cypriot forces, increasing the Greek military presence on Cyprus, and partially or completely cutting off Turkish Cypriot access to essential supplies of water and electricity from the south. Any of these actions would require a Turkish response, significantly raising the risk of a military conflict on the island. []

Increased Opportunity for Soviet Activity

A prolonged hiatus in UN efforts to mediate a solution to the issue would present the Soviets with new opportunities to promote their own solutions to the problem. They already have tabled a proposal for an international conference that would, of course, include the USSR. Moscow's goal is to promote an agreement for a nonaligned, demilitarized island--one that would entail removing the British Sovereign Base areas. Greek Cypriot

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leader Kyprianou is not above playing along with the idea to prod the US into playing a more direct role, even though Nicosia does not want the USSR to be directly involved in Cypriot affairs. []

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There are indications that Moscow is already moving to play more actively in the Cyprus problem. The Soviets have been pushing the idea of an international conference more vigorously since the breakdown of the UN effort. There has been a flurry of Soviet diplomatic activity on the island to discuss the proposal, and Moscow has named a younger and more vigorous ambassador with a strong background in UN affairs. The Soviets also are openly supporting the Greek Cypriot position now, a departure from their past efforts to maintain an even-handed approach. []

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Implications:

Unless the peace process can be revived, Cyprus appears headed for eventual partition. The Greek Cypriot response to the latest UN peace proposal suggests that they may be growing resigned to permanent partition if the alternative is an agreement that would preserve formal unity on Turkish terms. There is some sentiment among Greek Cypriots that they are better off as they are, controlling their own destiny on a divided island, rather than being exposed to the constant risk of Turkish interference or intervention in a dubiously reunited country. The Turkish Cypriots, for their part, have less to gain from a settlement than the Greek Cypriots. As the international community becomes increasingly used to the existence of the "Turkish Republic of Northern Cyprus," the Turkish Cypriots will move closer and closer to achieving their goal of establishing an independent state without a settlement. []

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Over the long haul, all the players in the Cyprus problem--even Athens and Nicosia--may come to see partition as the only possible solution, even though the Greek side will be extremely reluctant to acknowledge it openly. In the short term, however, the process of transition, if it takes place, is likely to be fraught with danger. Greek Cypriots are likely to respond to any unilateral Turkish efforts to consolidate their state with actions of their own. The possibilities open to them--running the gamut from "internationalizing" the issue to military moves--would lead a region of major strategic importance to the US into a new phase of dangerous tensions. []

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